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H.R. 6599 – Military Construction and Veterans Affairs Appropriations Act for FY2009

EXECUTIVE SUMMARY

The House will consider H.R. 6599 – Military Construction and Veterans Affairs Appropriations Act, 2009, on July 30, 2008, pursuant to a modified open rule. The bill provides \$72.7 billion in overall discretionary spending, which is an increase of \$8.8 billion (14%) over last year's bill. Additionally, this funding level is \$3.4 billion (5%) over the President's requested budget. H.R. 6599 contains over 100 earmarks, mostly for military construction and requested by the President.

This bill contains funding for 1) military construction and family housing; 2) the Department of Veterans Affairs; and 3) operating expenses for related agencies such as American Battle Monuments Commission and U.S. Court of Veterans Appeals. By funding military construction, this bill provides for the facilities needed to house and train military personnel at home and abroad. H.R. 6599 also provides funding for the medical care, benefits, and other important services the Department of Veterans Affairs provides for our veterans. In addition, the bill funds the operation and maintenance of monuments and cemeteries devoted to the men and women in uniform who have fought to protect our freedom.

The bill is expected to be considered on the floor under a modified open rule on July 31, 2008.

FLOOR SITUATION

H.R. 6599 is being considered on the floor pursuant to a modified open rule. The rule:

- Provides one hour of general debate equally divided and controlled by the Chairman and Ranking Minority Member of the Committee on Appropriations;
- Waives all points of order against consideration of the bill except those arising under clause 9 (regarding earmarks) or 10 (regarding PAYGO) of rule XXI;
- Waives all points of order against provisions of the bill for failure to comply with clause 2 of rule XXI.
- Makes in order only those amendments to the bill that are preprinted in the *Congressional Record* by July 30 or are pro forma amendments for the purpose of debate;
- Provides that each amendment printed in the Congressional Record may be offered only by the Member who caused it to be printed or a designee and that each amendment shall be considered as read;
- Provides one motion of recommit with or without instructions; and
- > Provides that, not withstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker.

The bill was introduced by Representative Chet Edwards (D-TX) on July 24, 2008. The House Committee on Appropriations reported H.R. 6599 on July 24, 2008 by voice vote.

The bill is expected to be considered on the floor on July 31, 2008.

BACKGROUND

The annual Military Construction – Veterans Affairs appropriations bill is traditionally one of the least controversial spending measures. Last year's bill passed the House on June 15, 2007, by a vote of 409-2. H.R. 6599 is the first fiscal year 2009 appropriations bill to be considered by the House this year. The appropriations process had been recently halted due to the refusal of the Democrat leadership to allow Republican amendments to spending measures which would increase American energy production.

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FUNDING SUMMARY

Table: MilCon-VA Appropriations

(funding in \$ millions)

	FY09 House Proposal	FY09 Administration Request	FY08 Enacted
Net Budget	72,700	69,300	63,900
Military			
Construction,			
Army	4.750	4.616	3.928
Military			
construction, Navy			
and Marine Corps.	3.281	3.096	2.188
Military			
construction, Air			
Force	.959	.935	1.149
Family Housing,			
Total	3.166	3.203	2.866
Base realignment			
and closure			
account, 1990	.473	.393	.296
Base realignment			
and closure			
account, 2005	9.065	9.065	7.235
Veterans Benefits			
Administration,	4/ 455	4/ 455	44 (40
Total	46.155	46.155	44.642
Medical Services,			
Veterans Health	20.054	24.07/	27.1/0
Administration	30.854	34.076	27.168
Medical Support			
and Compliance, VHA	4 400		2 442
Medical Facilities,	4.400		3.442
VHA	5.029	4.661	3.592
Medical and	3.029	4.001	3.092
Prosthetic			
Research, VHA	.500	.442	.411
Office of Inspector	.500	.442	.411
General	.088	.077	.073
Construction,	.000	.077	.073
major projects	.923	.582	.727
Construction,	.725	.302	.121
minor projects	.991	.329	.233

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More detailed funding tables, as well as a listing of earmarks in the bill can be found in the Committee Report.

Key Provisions

Title I

Military Construction: This bill authorizes a total appropriation of \$24.8 billion for military construction efforts. This total is \$400 million over the President's requested budget.

Military Housing: The bill authorizes a total of \$3.2 billion for military and family housing projects. This is an increase of \$300 million over the fiscal year 2008 level. This funding is used for construction and maintenance of housing units.

NATO Security Investment Program: H.R. 6599 appropriates \$219 million for the North Atlantic Treaty Organization (NATO) Security Investment Program. The program finances the provision of the installations and facilities needed to support the roles of NATO Strategic Commands. These investments cover such installations and facilities as communications and information systems, radar, military headquarters, airfields, fuel pipelines and storage, and harbors.

1990 Base Realignment and Closure (BRAC): This bill provides \$473 million to carry out environmental cleanup efforts at bases closed during previous BRAC rounds. These bases are identified in the most recent "Defense Environmental Programs Annual Report." This funding is \$80 million above the President's request.

2005 Base Realignment and Closure (BRAC) and Re-stationing: The bill authorizes \$9.1 billion for the restationing of overseas U.S. military personnel to the United States. This funding matches the President's request, and represents an increase of \$1.8 billion over the fiscal year 2008 level.

Pinyon Canyon: No funds are available to promote the expansion of the boundaries or size of the Pinyon Canyon Maneuver Site, Colorado. The Army announced plans to expand the site in 2007, but has experienced legal resistance due to certain environmental concerns.

Privatized Housing Study: The bill requires the Army to study the feasibility of expanding the privatization of unaccompanied housing for junior and senior personnel. The Army must report to Congress on its findings by December 31, 2008.

Prohibiting New Bases: This bill bars the construction of new bases in the U.S. without Congressional appropriation.

Quality of Life Initiative: The bill authorizes \$336 to continue a quality of life initiative that was begun in the 2008 Supplemental. This sum includes \$200 million for new trainee and recruit housing, and \$136 million for medical military construction and upgrades to certain medical treatment facilities. The President did not request this funding in his budget.

Schools Report: H.R. 6599 requires the Department of Defense to report to Congress by December 31, 2008, on military construction projects at schools for the children of service members.

Steel Procurement: The bill bars the procurement of steel unless American producers and manufacturers are able to compete.

Title II

Department of Veterans Affairs: This bill includes a total funding level of \$47.7 billion for the Department of Veterans Affairs. This total is \$2.9 billion over the President's request.

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Extended Care Facilities: This bill authorizes \$165 million in grants for States to construct and renovate VA extended care facilities. This sum exceeds the President's request by \$80 million.

Information Technology: \$2.5 billion is authorized for an emergency fund for information technology needs at medical facilities. This represents a \$50 million increase over the President's budget.

VA Inspector General: The bill funds the Department of Veterans Affairs Office of Inspector General at \$87.8 million. This level is \$4 million above the President's requested budget.

Operating Expenses: \$1.8 billion is authorized in this bill for general VA operating expenses. This includes funding for the hire of about 2,100 claims processors.

Other Construction: This bill includes \$1.9 billion for a number of specific major and minor VA construction projects. This funding level is \$788 million over the President's request.

Veterans Health Administration: The bill funds the Veterans Health Administration at \$40.8 billion for medical care for veterans. This level is \$1.8 billion over the President's requested budget.

Veterans Medical Facilities: The bill authorizes \$5 billion for VA medical facilities- \$368 million above the President's request. This provision includes funding to increase enrollment of Priority 8 veterans in the Veterans Health Administration. The President banned enrollment of new Priority 8 veterans on January 17, 2003, due to overcrowding in the VA health care system. Priority 8 veterans are those veterans whose injuries are not service related and who have an income of 80% of the median in their community.

<u>Veterans Medical Research</u>: H.R. 6599 includes \$500 million for medical and prosthetic research, including trauma and mental health research. This level is \$38 million above the President's request, and \$20 million above the fiscal year 2008 level.

Veterans Medical Services: The bill includes a total of \$30.9 billion for veterans' medical services. This sum is \$1 billion over the President's requested level. This includes \$400 million for the enrollment of some Priority 8 veterans.

Note: The President banned enrollment of new Priority 8 veterans on January 17, 2003, due to overcrowding in the VA health care system. Priority 8 veterans are those veterans whose injuries are not service related and who have an income of 80% of the median in their community.

This provision also includes \$3.8 billion in funding for specialty mental health care and \$584 million for substance abuse programs. \$200 million, not requested by the President, is included for fee-based health care for access where Veterans Health Administration services are not available. H.R. 6599 also includes \$130 million in funding for the homeless veterans grants program.

Veterans Medical Support: H.R. 6599 includes \$4.4 billion to ensure the efficient operation of the VA health care system. Some of this funding will also be used to support the initiative to enroll 10 percent of Priority 8 veterans in the health care system. This level of funding is \$144 million over the President's requested budget.

Title III

American Battle Monuments Commission: The American Battle Monuments Commission, responsible for operating and supporting American military monuments and cemeteries around the world, is funded at \$55.5 million. This sum is \$8 million above the President's requested budget for the Commission.

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Arlington Cemeterial Expenses: This bill authorizes \$31.2 million for the operation of Arlington National Cemetery. This amount matches the President's request.

Armed Forces Retirement Home: The bill authorizes \$63 million to be appropriated from the Armed Forces Retirement Home Trust Fund for the operation of the Retirement Home. This includes \$8 million for capital expenditures at the Washington, D.C. campus.

Court of Appeals for Veterans Claims: This bill funds the U.S. Court of Appeals for Veterans Claims at \$73.98 million for the purpose acquiring a new facility for the Court. This is \$50 million above the President's budget request for construction of a new courthouse facility.

ADDITIONAL VIEWS

Ranking Members Jerry Lewis (R-CA) and Zach Wamp (R-TN): "There is no greater way to honor the volunteers who serve our country than to make sure that they have the best medical care and facilities with which to treat them. This bill provides historic funding increases to do just that. But, we can't forget that we also owe it to them to ensure that the VA manages these funds in a way that also honors our veterans...In conclusion, while American taxpayers and future generations of Americans will be paying the price for this bill and other bills under the bloated discretionary spending levels adopted by the Democrat majority, this is a good bill." (Additional Views, House Report 110-775)

AMENDMENTS PRE-PRINTED IN THE CONGRESSIONAL RECORD

- 1) Rep. Steve Buyer (R-IN): Would transfer \$150 million from the Major Construction account to the Medical Facilities account for the installation of appropriate solar electric energy roof applications at 10 Department of Veterans Affairs (VA) medical facility sites.
- 2) Rep. Steve Buyer (R-IN): Would transfer \$7 million from the Major Construction account to the Medical Facilities account for the installation of alternative fueling stations at 35 Department of Veterans Affairs (VA) medical center campuses.
- 3) Rep. Steve King (R-IA): Would prohibit funds in this Act from being used enforce the requirements of Davis-Bacon.
- 4) Rep. Jeff Flake (R-AZ): Strikes all Member-requested military construction earmarks in the underlying bill.
- 5) Rep. Jeb Hensarling (R-TX): Would prohibit funds provided by this Act to be available to enforce section 526 of the Energy Independence and Security Act of 2007.
- 6) Rep. Michael McCaul (R-TX): Would prohibit funds to be used for a project or program named for a serving Member, Delegate, Resident Commissioner, or Senator of the United States Congress.
- 7) Rep. Michael Burgess (R-TX): Would appropriate \$100 million for the construction of one Army petroleum refinery, \$200 million for one petroleum refinery for each the Navy and Marine Corps, and \$100 million for an Air Force refinery. The amendment would reduce funding for the 2005 BRAC Account by \$400 million.
- 8) Rep. Lee Terry (R-NE): Would establish a national cemetery in Sarpy County, Nebraska to serve veterans and their families.
- 9) Rep. Sheila Jackson-Lee (D-TX): Would direct the Secretary of Veterans Affairs to increase the number of medical centers specializing in post-traumatic stress disorder in underserved urban areas.

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- 10) Rep. Christopher Murphy (D-CT): None of the funds made available in this Act may be used to obstruct nonpartisan voter registration activities at VA facilities.
- 11) Rep. Scott Garrett (R-NJ): Would reduce funding for general VA operating expenses by \$18 million and increase funding for state extended care facilities by \$18 million.
- 12) Rep. Doug Lamborn (R-CO): Would specify that the Pinyon Canyon Maneuver Site in Colorado may be expanded if land is purchased from a willing seller.
- 13) Rep. Ed Perlmutter (D-CO): Would reduce funding for general VA operating expenses by \$42 million and increase funding for major VA construction projects by \$42 million.
- 14) Rep. Bart Stupak (D-MI): Would prohibit funding for DOD construction on public buildings and works unless all iron and steel is produced in the United States. This requirement would be waived if American steel is not reasonably available or would increase the overall cost of the project by more than 25 percent.
- 15) Rep. Bart Stupak (D-MI): Would prohibit funding for VA construction on public buildings and works unless all iron and steel is produced in the United States. This requirement would be waived if American steel is not reasonably available or would increase the overall cost of the project by more than 25 percent.
- 16) Rep. Bart Stupak (D-MI): Would prohibit the Secretary of Veterans Affairs from using funds in this Act to adjust proportionately the dollar amounts payable for beneficiary travel, in the event that Secretary increases or decreases the rates of allowances or reimbursement.
- 17) Rep. Alcee Hastings (D-FL): Would prohibit funds from being used to establish contracts or procurements not consistent with the Federal Property and Administrative Services Act of 1949.
- 18) Rep. Bob Filner (D-CA): Would establish a community grant program to provide rehabilitative services to veterans with post-traumatic stress disorder or traumatic brain injury. \$250 million available for "Medical services" in this bill would be made available for this purpose.
- 19) Rep. Bob Filner (D-CA): Would establish a heroes' homecoming pilot program to assess the effectiveness of offering compulsory screening and treatment for mental health conditions to recently discharged servicemembers, and veterans returning from deployment. \$10 million designated for "Medical services" in this bill would be made available for this purpose.
- 20) Rep. Phil Gingrey (R-GA): None of the funds appropriated or otherwise made available in this Act may be used to take private property for public use without just compensation.
- 21) Rep. Bob Filner (D-CA): This amendment would clarify the definition of "combat with the enemy", for the purposes of service-connected disabilities. Would also establish two VA pilot programs to provide disability compensation to veterans on the basis of certain presumptions of serviceconnected disability. The amendment also reduces the number of disability grades for these programs, and directs the Secretary to determine appropriate compensation for the grades.
- 22) Rep. Bob Filner (D-CA): Would make one-time payments to American and Filipino veterans of World War II of \$15,000 and \$9,000, respectively. These veterans must have served in the Philippines under the direction of the U.S. Armed Forces. The amendment would reduce funding for VA information technology systems by \$198 million.

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- 23) Rep. Bob Filner (D-CA): Would establish a Merchant Marine Equity Compensation Fund in the Treasury general fund. This fund would be used to make monthly payments of \$1,000 to individuals who served in the U.S. Merchant Marine during World War II, subject to appropriations. This amendment would reduce funding for VA information technology systems by \$120 million.
- 24) Rep. John Boehner (R-OH): Would amend the bill to include the text of H.R. 6566, the American Energy Act. Please visit the following website for more information on this bill: House Republican Conference - American Energy Act
- 25) Rep. Shelley Moore Capito (R-WV): Would increase funding for the Veterans Equitable Resource Allocation account by \$100 million dollars. This funding will go towards increasing monies for feebased health services for rural veterans. The offset comes from over funded DVA construction accounts.
- 26) Rep. Shelley Moore Capito (R-WV): Would increase the mileage reimbursement rate for veterans by 6.5 cents, to 41.5 cents per mile.
- 27) Rep. Cliff Stearns (R-FL): Would create an Internet website for veterans with a comprehensive list of employment opportunities throughout the United States.
- 28) Rep. Steve Buyer (R-IN): Would provide \$7 million of the amounts appropriated for the Department of Veterans Affairs (VA) Minor Construction account for the installation of alternative fueling stations at 35 VA medical facilities.
- 29) Rep. Steve Buyer (R-IN): Would provide \$150 million of the amounts appropriated for the Department of Veterans Affairs (VA) Minor Construction account for the installation of appropriate solar electric roof applications at VA medical centers.
- 30) Rep. Gene Taylor (D-MS): Would prohibit funds made available in the Act from being used to implement section 2703 of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Hurricane Recovery, 2006 (P.L. 109-234), which requires the Secretary of the VA to clean up and transfer all of the Department's land parcels in Gulfport, MS, to the city of Gulfport, MS.
- 31) Rep. William Jefferson (D-LA): Would give priority for funding to areas in the Gulf Opportunity Zone from amounts available under "General operating expenses" and "Medical support and compliance" to carry out the guaranteed transitional housing loan program.
- 32) Rep. Lee Terry (R-NE): Would require the Secretary of the VA to establish a national cemetery in the Sarpy County region of Nebraska.
- 33) Rep. Lee Terry (R-NE): Would prohibit the use of funds made available by this Act to be used to carry out the construction of a new national veterans' cemetery, unless the Secretary provides a list of the six new locations for establishment of national cemeteries that includes Omaha, Nebraska.
- 34) Rep. Patrick Murphy (D-PA): Would prohibit funds made available by this act to be spent by the VA to prevent nonpartisan voter organizations from conducting voluntary and nonintrusive voter registration drives at VA facilities.

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- 35) Rep. Michael Burgess (R-TX): Would require that funds be made available from the amounts appropriated for military construction for the design and construction of petroleum refineries for the Army, Navy, Marine Corps, and Air Force.
- 36) Rep. Zach Wamp (R-TN): Would prohibit the use of funds made available in this Act to modify the standards used to determine the entitlement of veterans to special monthly pensions.
- 37) Rep. Christopher Murphy (D-CT): Would prohibit the use of funds made available to enforce section 3, Policy of VHA Directive 2008-25, regarding to restrictions on voter registration drives.

STAFF CONTACT

For questions or further information contact Adam Hepburn at 6-2302.